

## A CRITICAL ASSESSMENT OF FUNCTIONS AND CLASSIFICATION OF INDIAN HOTELS

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### Abstract

The roots of the hospitality industry run deep, stretching back to when individuals started traveling away from their homes for business activities. They needed a place that provided them with food and drink and catered to all their requirements. This concept has evolved from a basic food and lodging industry to a significant player in the Indian economy. The term 'hospitality' itself is a testament to this evolution, originating from the Latin name 'hospes,' which signifies both host and visitor. The ancient Romans described the word as 'hospitālītās,' which means warm reception and entertainment of guests. The hospitality industry, where people offer services and customary facilities, directly or indirectly, to customers, is a living testament to this rich history. It includes bars, hotels, and restaurants that provide services related to the comfort and pleasure of visitors and travelers.

**Keywords:** Hotel, function, classification, etc.

### 1. Indian Hotel Industry

The Indian hotel industry is not just growing; it's thriving. This multi-billion-dollar industry is a beacon of hope, offering unlimited opportunities to people with diverse areas of interest. A hotel, in essence, is a home away from an individual's home, offering all the modern amenities and services on a payment basis. It is a commercial organization that provides short-term accommodation to those with a paying capacity. The hotel industry, a significant part of the hospitality industry, is constantly evolving and adapting to the changing needs of its customers. Over the past 15-20 years, we have seen numerous transformations in the industry, and the potential for further growth is immense.

The provision of elementary accommodation has changed with time to modern facilities like luxury bathroom fittings, central air conditioning, high-quality products, closets, etc. Nowadays, the basic facilities provided in rooms include a mini-bar, LCD, telephone, Wi-Fi, food & drinks, facilities for making tea and coffee, lockers, etc. Modern hotel bathrooms contain luxury features such as jacuzzi bathtubs, bathrobes, slippers, etc. Different Star-categorized hotels offer a variety of additional guest facilities like multi-cuisine restaurants, health clubs, swimming pools, seminar facilities, trade centers, and banquet services. Hotel rooms are usually numbered to help guests and visitors recognize their rooms. Most modern hotels provide packages that include meals as a part of the room tariff.

### 2. Major Operational and Functional Divisions in Hotels

The most significant operational divisions of a hotel are Maintenance and Housekeeping, Front Office, Food and Beverage Services, and Food Production.

#### Maintenance and Housekeeping

The housekeeping division generates no revenue, but keeping the hotel business running smoothly is essential. This department is responsible for immaculate cleaning and maintenance

of guest rooms, floors, lobby, public area, swimming pool area, back area, etc. The department assures guests' satisfaction by maintaining a clean and hygienic environment. Other sections of housekeeping departments include Horticulture & flower arrangement, maintaining the garden, laundry service, lost and found, and pest control.

### **Front Office**

The front office is one of the most significant departments of the hotel. This division is the core of any hotel. Visitors or clients go to the front office when they appear at any hotel. The primary function of the front office staff is to welcome the guests. This is the first and last point of contact with the guest. This section produces the maximum revenue for the hotel by selling hotel rooms to the people. Functions of the front office include reception, reservations, registration, telephones, information desk, bell desk, concierge, guest relations desk, travel desk, and a business center.

### **Food and Beverage Services**

This department is responsible for serving food and drinks to the guests. To create a lasting impression, food and drinks are served beautifully and pleasantly at food and beverage premises, such as specialty restaurants, bars, lounges, rooms, coffee shops, banquets, takeaways, etc. This is the second-most revenue-producing department of the hotel.

### **Food Production**

This department is responsible for preparing all types of food and beverages for hotel guests. It is also known as the Kitchen department of a hotel. It concentrates on making the food more attractive and delicious by adopting different cooking styles. This department presents different cuisines to their guests, which generally has a dedicated team of chefs".

Besides these major operational departments, a hotel organization has various other functional departments. These are:

### **Marketing & Sales**

A hotel's marketing and Sales department is integral to modern hotel management. This department understands and profitably satisfies customer requirements. The department carries out several responsibilities, like converting prospects into paying customers, conducting sales promotion and advertisement activities for the hotel, and developing new services, thereby increasing the hotel's sales and revenue.

### **Engineering Department**

This department is responsible for installing and maintaining all hotel equipment, appliances, furniture, and fixtures. Its primary function is keeping all services in operational condition. The essential functions of the engineering department include plumbing and pool filtration, electrical, kitchen and laundry equipment, elevator maintenance, air conditioning and refrigeration, boilers and water heating, and firefighting equipment.

### **Finance and Control**

This department is responsible for maintaining records and tracking the hotel's financial transactions. Its main functions include invoicing customers, reducing investment, cost control, preparing financial statements, managing tax issues, budgeting, handling external audits, etc.

### **Safety and Security**

Security is one of the most significant departments for any hotel organization. This department ensures the safety and security of guests, staff, guest belongings, and the hotel. The role of

security personnel has even changed due to increased crime activities. Therefore, this department strictly monitors the entry and exit of visitors and any material to and from the hotel property.

### Human Resource Management

The human resource department acts as a mediator between employees and employers. It is responsible for several tasks, including hiring and training new employees, firing underperforming employees, maintaining records, employee welfare, job design, and specifying job responsibilities.

The study focuses on the employees of operational departments, such as housekeeping, Front Office, Food and Beverage services, and Food production.

### 3. Classification of Hotels in India

Hotel classification is the clustering of hotels based on various criteria. It is a challenging task based on numerous criteria. Because hotels are vast, they cannot be classified into a particular well-defined category. The hotel industry is classified into various groups according to size, location, ownership, star, etc.

#### Standard Classification/ Star Classification

This system of classification is a widely recognized system of rating hotels globally. In India, the hotel's star rating system is followed. The Star represents the standard facilities in the hotel. This star classification is reckoned by an autonomous body known as the HRACC (Hotel Restaurant Approval and Classification Committee), made by the Ministry of Tourism, GOI. The star ratings provided by HRACC are: 1 Star, 2 Star, 3 Star, 4 Star, and 5 Star and 5 Star Deluxe.

#### Based on Location

The hotels, based on location, are classified as:

- **Downtown hotel:** A hotel should be in the town's core or conveniently from shopping areas, business centers, theatres, airports, etc.
- **Motels:** The word motel is created by merging the words "motor" and "hotel." Motels, also known as "Motor Hotels, " are located primarily alongside the highways. A motel offers facilities to highway travelers such as accommodation, a parking space, food and drinks, re-fuelling pumps, and garage facilities.
- **Airport hotels:** These Hotels are built in the airport's surrounding area. Airport hotels offer services like those of a commercial hotel and are generally ignored by passengers on canceled flights or who need to stop by on their journey.
- **Suburban hotels:** Due to higher land costs and limited space in the center of a city, some businesspersons build their hotels close to the suburbs. Suburban hotels provide facilities like downtown ones, but they have the advantage of closer surroundings. These hotels are perfect for people who prefer to avoid the city's chaos. The stay duration of the guest in suburban hotels is generally longer.
- **Resort hotels:** Resort Hotels are in places of natural beauty, such as hill stations, beaches, islands, forests, etc. These hotels are famous for their peaceful and natural atmosphere. These hotels provide accommodation and leisure activities such as health clubs, golf, tennis, adventurous sports, swimming, spas, etc.
- **Floating hotels:** Floating Hotels or Floaters are lodging properties that float on the water. This type of hotel consists of properties set up on top of semi-submersible platforms. Floatels include houseboats and cruise liners. These hotels provide luxurious rooms and food and

beverage services to their guests. Houseboats in Dal Lake of Kashmir are the best example of floating hotels.

- **Boatels:** Boatels are luxury boats or yachts that carry tourists from one place to another.
- **Rotels:** These hotels revolve on wheels and are called Rotels. Hotels are also known as “Hotels on Wheels.” For example, the train “Palace on Wheels” in India.

### Based on Size

The hotels, based on size, are classified as:

- **Small hotel:** Hotel with less than 100 rooms.
- **Medium-sized hotel:** It has rooms between 100 and 299.
- **Large hotels:** Have rooms between 300 to 599 rooms.
- **Very Large Hotels:** They have rooms between 600 and 999.
- **Mega:** Have more than 1000 rooms

### On the Basis of Level of Service

- **Upmarket or Luxury Hotels:** These hotels target the wealthy segment of society. They offer sophisticated, high-quality products with personal service of the utmost standards. These hotels emphasize excellence and class for their clientele. They offer glamorous restaurants and lounges, concierge service, exquisite décor, and other lavish amenities.
- **Mid-Market or Mid-Segment Service Hotels:** Mid-segment service hotels offer moderate services with no frills and personalized attention like luxury hotels. These types of hotels attract the most significant section of travelers. Such hotels offer room service, pick-up and drop-off facilities, 24/7 coffee shop, restaurant, and bar services. The room rent charged by mid-segment hotels is much lower than that of luxury hotels.
- **Budget or Economy Hotels:** Budget hotels focus on meeting customers' most basic needs by offering clean, cozy, and reasonably priced rooms. Their clientele includes groups of individuals traveling together or families with children. These hotels provide clean and comfy rooms, in-room telephones, televisions, a multi-cuisine restaurant, a coffee shop, a health club, and a swimming pool.

### Based on Ownership

- **Independent Hotel:** Independent hotels are owned directly by an individual or a company. They do not have associations or agreements with other properties or ties with any other hotels. The proprietor has independent control over the financial and management issues.
- **Management Contract Hotels:** These hotels have an agreement between the property proprietor and an external professional organization (management contractor), according to which the proprietor employs the contractor as an agent to take on all the responsibilities for operating the hotel.
- **Chain Hotel:** These are groups of hotels that offer the same services in different cities and are owned, managed, and administered by the same hotel in various areas.
- **Franchise Hotels:** These kinds of hotels have authorization to sell a hotel's unique products and services given by an individual or a hotel to another hotel. Franchise hotels can use the trademark per the guidelines agreed by the former for a specific period at a particular place. In other words, the Franchisor grants the franchise the right to use its methods, system, brand image, technical services, trademark, goodwill, etc., for a certain fee.
- **Referral Chain:** The referral chain consists of independent hotels clustered together for a common purpose. Although these hotels do not share financial or management functions, they offer a joint reservation system and consistent quality of services to satisfy customers' expectations.

- **Time Share Ownership:** This is a new concept of ownership, also called holiday ownership or vacation ownership, that is increasing in areas like waterfalls, hills, forests, beaches, etc. In timeshare ownership, every room is owned by some people for a particular time. Every owner enjoys a stay for a specific period for a long time.
- **Condominium:** Also known as Condos, this type of hotel offers individual guests the opportunity to purchase ownership of a room, unit, or apartment for the whole year. These hotels have single proprietors instead of several proprietors.

#### Based on the Length of Guest Stay

- **Transient Hotel:** The length of stay in transient hotels is one day or even a few hours.
- **Commercial Hotel:** The stay in a commercial hotel is short, generally 1-7 days.
- **Residential Hotel:** the guests in residential hotels can stay from 1 month to 1 year.
- **Semi-residential Hotel:** The stay in semi-residential hotels varies from a few weeks to a few months.

#### 4. Conclusion

So, it goes. Following the liberalization of the Indian economy in 1991 and the country's embrace of globalization, many previously dormant industries have seen a dramatic uptick in activity. The hospitality sector is a prime illustration of this. Hospitality services cover a wide range of industries, including tourism and lodging. Food and service management, entertainment, nightlife, theme parks, hospitality, lodging, dining, self-catering, tourism, and travel agencies are all included in this industry. Despite the economic downturn, it is expanding fast, having trained thousands of individuals for work in the hotel business over the past 26 years. About 2.5 million people are currently employed in the sector, and it also serves as a vital support system to other firms, such as the hospitality and restaurant industries and educational institutions. The hotel business is a significant component of this market. People's wealth has increased in tandem with the expansion of the economy. Because of this country's recent prosperity, more accommodations are needed to accommodate visitors.

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